

Office of the Auditor General  
Follow-Up Report on Prior Audit Recommendations

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**Bureau of Fire Services and State Fire Marshal**  
Department of Licensing and Regulatory Affairs

March 2018

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The auditor general shall conduct post audits of financial transactions and accounts of the state and of all branches, departments, offices, boards, commissions, agencies, authorities and institutions of the state established by this constitution or by law, and performance post audits thereof.

*Article IV, Section 53 of the Michigan Constitution*

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Office of the Auditor General

## Report Summary

*Follow-Up Report*  
*Bureau of Fire Services and*  
*State Fire Marshal*  
*Department of Licensing and Regulatory*  
*Affairs*

**Report Number:**  
**641-0434-13F**

**Released:**  
**March 2018**

We conducted this follow-up to determine whether the Bureau of Fire Services and State Fire Marshal had taken appropriate corrective measures in response to the six material conditions noted in our April 2014 audit report.

Prior Audit Information	Follow-Up Results		
	Conclusion	Finding	Agency Preliminary Response
Finding #1 - Material condition  Comprehensive evaluation of operations effectiveness needed.  Agency agreed.	Partially complied	Reportable condition exists. See <u>Finding #1</u> .	Agrees
Finding #2 - Material condition  Improvements needed to storage tank inspection process.  Agency agreed.	Complied	Not applicable	
Finding #3 - Material condition  Lack of required inspections for places of public assemblage.  Agency agreed.	Not complied	Material condition still exists. See <u>Finding #3</u> .	Agrees

<b>Prior Audit Information</b>
<p>Finding #8 - Material condition</p> <p>Monitoring process of State-funded training activities needs improvement.</p> <p>Passing student examination grades recorded for firefighter training courses without supporting documentation.</p> <p>Agency agreed.</p>
<p>Finding #9 - Material condition</p> <p>Improvements needed to training activity related conflicts of interest process.</p> <p>Agency agreed.</p>
<p>Finding #19 - Material condition</p> <p>Statutorily required reports not submitted.</p> <p>Agency agreed.</p>

<b>Follow-Up Results</b>		
<b>Conclusion</b>	<b>Finding</b>	<b>Agency Preliminary Response</b>
Partially complied	Reportable condition exists. See <u>Finding #8</u> .	Agrees
Complied	Not applicable	Not applicable
Complied	Not applicable	
Partially complied	Reportable condition exists. See <u>Finding #19</u> .	Agrees

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**Doug A. Ringler, CPA, CIA**  
Auditor General

March 9, 2018

Ms. Shelly Edgerton, Director  
Department of Licensing and Regulatory Affairs  
Ottawa Building  
Lansing, Michigan

Dear Ms. Edgerton:

This is our follow-up report on the six material conditions (Findings #1, #2, #3, #8, #9, and #19) and ten corresponding recommendations reported in the performance audit of the Bureau of Fire Services and State Fire Marshal, Department of Licensing and Regulatory Affairs. That audit report was issued and distributed in April 2014. Additional copies are available on request or at [audgen.michigan.gov](http://audgen.michigan.gov).

Your agency provided preliminary responses to the follow-up recommendations included in this report. The *Michigan Compiled Laws* and administrative procedures require an audited agency to develop a plan to comply with the recommendations and to submit it within 60 days of the date above to the Office of Internal Audit Services, State Budget Office. Within 30 days of receipt, the Office of Internal Audit Services is required to review the plan and either accept the plan as final or contact the agency to take additional steps to finalize the plan.

We appreciate the courtesy and cooperation extended to us during our follow-up. If you have any questions, please call me or Laura J. Hirst, CPA, Deputy Auditor General.

Sincerely,

Doug Ringler  
Auditor General



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# INTRODUCTION, PURPOSE OF FOLLOW-UP, AND AGENCY DESCRIPTION

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## INTRODUCTION

This report contains the results of our follow-up of the six material conditions\* (Findings #1, #2, #3, #8, #9, and #19) and ten corresponding recommendations reported in our performance audit\* of the Bureau of Fire Services and State Fire Marshal, Department of Licensing and Regulatory Affairs (LARA), issued in April 2014.

## PURPOSE OF FOLLOW-UP

To determine whether the Bureau of Fire Services and State Fire Marshal had taken appropriate corrective measures to address our corresponding recommendations.

## AGENCY DESCRIPTION

The Bureau's mission\* is to provide for the protection of persons and property from exposure to the dangers of fire through inspection and fire prevention and to serve the training needs of over 30,000 firefighters in the State of Michigan.

The Bureau oversees the implementation and enforcement of the fire prevention code, the reporting and analysis of fire incident data, firefighter training, the administration of the Michigan Fireworks Safety Act, the regulation of aboveground and underground storage tanks, hazardous materials incident responses, and public education regarding fire safety.

The Bureau consists of the:

- State Fire Marshal
- State Fire Safety Board (SFSB)
- Firefighters Training Council (FFTC)
- Fire Safety Inspection Program
- Fireworks Program
- Aboveground and Underground Storage Tank Programs
- Fire Safe Cigarette Program

As of August 31, 2017, the Bureau had 65 full-time equated employees.

\* See glossary at end of report for definition.

# **PRIOR AUDIT FINDINGS AND RECOMMENDATIONS; AGENCY PLAN TO COMPLY; AND FOLLOW-UP CONCLUSIONS, RECOMMENDATIONS, AND AGENCY RESPONSES**

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## **FINDING #1**

Audit Finding Classification: Material condition.

Summary of the April 2014 Finding:

The Bureau had not established a comprehensive process to assess its effectiveness\* (including the development of outcome\* measures and the evaluation of its inspections, Fireworks Program, and training activities) and did not have the statutory authority to enforce local fire department compliance with reporting requirements.

Recommendation Reported in April 2014:

We recommended that the Bureau establish a comprehensive process to assess the effectiveness of its operations.

## **AGENCY PLAN TO COMPLY\***

On June 9, 2014, the Bureau indicated that it was in the process of implementing a comprehensive evaluation process based on customer feedback that it would obtain through surveys and student feedback forms.

## **FOLLOW-UP CONCLUSION**

Partially complied. A reportable condition\* exists.

Our follow-up noted:

- a. The Bureau developed a performance summary scorecard to track and report on certain program outputs\*; however, it did not track or report on outcomes related to its mission.
- b. The Bureau had not evaluated the overall effectiveness of its inspections, Fireworks Program, or training activities:
  - The Bureau collected data from local fire departments through the National Fire Incident Reporting System (NFIRS); however, it had not analyzed the data to identify any trends or impact on its inspections or Fireworks Program.
  - The Bureau had developed and requested students to complete a training course survey; however, it did not compile the responses and had not developed a process to address noted issues.
  - In December 2016, the Bureau surveyed the local fire departments; however, it did not follow up on the training needs or other noted issues.

\* See glossary at end of report for definition.

- c. Amendatory legislation was enacted, effective January 31, 2018, that requires the Bureau to deny State training fund requests by local fire departments that fail to report fire incident activity to the Bureau. However, our review noted that 302 (30%) and 246 (24%) of 1,006 local fire departments had not reported fire incident activity for at least 9 of the 12 months in fiscal years 2015 and 2016, respectively, including 11% and 14% that had not reported any activity.

**FOLLOW-UP  
RECOMMENDATION**

We again recommend that the Bureau establish a comprehensive process to assess the effectiveness of its operations.

**FOLLOW-UP  
AGENCY  
RESPONSE**

The Bureau provided us with the following response:

*We agree.*

*The Bureau of Fire Services has established a Community Risk Reduction task force of stakeholders (including members from within the fire service and other non-fire stakeholders) to reduce the risk of fire and identify areas where life safety can be improved across Michigan. The task force has developed a three (3) year strategic plan that started in January 2018 and will end in December 2020. This three (3) year plan is measurable with the goal to reduce the number of fire fatalities and enhance life safety Statewide with a focus on reducing injuries from fire to civilians and firefighters in all Michigan communities. The three (3) year strategic plan is broken down into four (4) operational areas (education, engineering, enforcement and economics). Each operational area is further divided into work groups that use a decision based approach to analyze Michigan NFIRS data to identify trends that drive each work group toward enhanced and direct fire inspection efforts as well as providing fire prevention/education training to meet identified trends in each community and region. This data driven approach is also used to establish areas of firefighter training to reduce fatalities and injuries to both civilians and firefighters Statewide.*

*Since the recent follow-up, the Bureau of Fire Services has implemented a process to review course surveys and act upon student concerns that need improvement or could use enhancements. Course survey concerns are addressed during weekly meetings with both region coordinators and the deputy director, and with the fire marshal during weekly training staff meetings.*

*The current fire marshal was appointed on April 24, 2017, and has reviewed the data contained in the December 2016 survey conducted by the previous fire marshal. Since May 2017, the fire marshal has been attending town-hall style meetings, conferences, and fire service organization meetings Statewide to understand the issues in all 83 counties in the State. In January 2018, the fire marshal began surveying training and town-hall*

*attendees on their training needs. The information gathered during each survey is compiled by Bureau staff and shared with the Michigan Fire Fighters Training Council at their bi-monthly meetings to help drive future training activities.*

*Public Acts 144 and 145 of 2017 (formerly Senate Bills 264 and 265) recently amended Public Act 291 of 1966. The amendments took effect on January 31, 2018, and now requires each fire department to report NFIRS data for 12 consecutive months to receive training funds from the fireworks safety fund. The Bureau believes that this requirement will have a positive impact on increased NFIRS reporting and ultimately 100 percent compliance by each fire department in the State.*

## FINDING #2

Audit Finding Classification: Material condition.

Summary of the April 2014 Finding:

The Bureau had not:

- Completed the required triennial inspections of 760 (7%) storage tanks, including 372 storage tanks that had never been inspected.
- Maintained sufficient documentation to support 31% of the completed inspections tested.
- Performed timely reinspections for 76% of the 17 completed inspections that we tested that had violations requiring follow-up.
- Obtained current facility owner names and addresses for 352 (95%) of the 372 storage tanks that had never been inspected.

Recommendations Reported in April 2014:

We recommended that the Bureau conduct timely storage tank inspections and reinspections.

We also recommended that the Bureau maintain sufficient documentation supporting its completion of storage tank inspections.

We further recommended that the Bureau attempt to obtain missing facility owner contact information.

## AGENCY PLAN TO COMPLY

On June 9, 2014, the Bureau indicated:

- a. To address the backlog of inspections and ensure that future inspections and reinspections are conducted timely, it had:
  - Hired two field supervisors to increase communication amongst inspectors and increase overall accountability.
  - Hired three inspectors.
  - Re-districted inspections according to where inspectors and supervisors lived to reduce travel time and increase efficiency.
  - Provided inspectors with trucks, home offices, work desks, scanners, etc., to improve their productivity.
- b. To improve documentation of storage tank inspections, it was streamlining its report and submission process.

- c. It would continue its efforts to obtain current contact information and was looking into the possibility of red-tagging\* all tanks for which the owner was unknown.

**FOLLOW-UP  
CONCLUSION**

Complied.

Our follow-up noted:

- a. As of August 15, 2017, Bureau records indicated that all 10,270 storage tanks had been inspected within the last three years.
- b. For 25 inspections, including 21 inspections that identified violations warranting reinspections or reviews of additional documentation, the Bureau:
  - Maintained sufficient documentation for all 25 inspections.
  - Performed 19 (90%) of the 21 reinspections in a timely manner. The 2 remaining reinspections were completed 22 and 26 days late.
- c. The Bureau investigated and conducted on-site visits to obtain missing owner contact information. The Bureau updated its records with current contact information or data indicating that some tanks no longer existed and, in some instances, red-tagged the tank, which prevents further filling of the tank and renders it unusable. Our review of the Bureau's active storage tank listing disclosed that all 10,270 storage tanks reported a facility owner's name and address.

\* See glossary at end of report for definition.

### **FINDING #3**

Audit Finding Classification: Material condition.

Summary of the April 2014 Finding:

The Bureau did not ensure that the approximately 220,000 places of public assemblage\* had obtained certification prior to establishment or operation and did not conduct, or seek amendatory legislation related to, the annual fire safety inspections of those facilities.

Recommendations Reported in April 2014:

We again recommended that the Bureau ensure that places of public assemblage obtain certification of maximum capacity and compliance with the Fire Prevention Code prior to establishment or operation.

We also recommended that the Bureau ensure that places of public assemblage receive annual safety inspections or seek amendatory legislation regarding the inspection of places of public assemblage.

### **AGENCY PLAN TO COMPLY**

On June 9, 2014, the Bureau indicated that efforts were ongoing to find a viable solution, including delegating this responsibility to local units of government, creating a database and reporting mechanism to track public assemblies, and working with legislative partners in finding a self-supporting mechanism to fund the program.

### **FOLLOW-UP CONCLUSION**

Not complied. A material condition\* still exists.

Our follow-up noted that the Bureau established a Public Assemblage Ad Hoc Committee to discuss potential corrective action, and although the Committee met a few times each calendar year, the Bureau had not implemented any corrective action measures. As a result, the Bureau could not ensure that places of public assemblage (including churches, halls, theaters, restaurants, libraries, classrooms, and stadium suites) were established and operated safely in compliance with the Fire Prevention Code. We still consider this finding to be a material condition because violations of the Fire Prevention Code can result in otherwise avoidable injuries and deaths.

### **FOLLOW-UP RECOMMENDATIONS**

We again recommend that the Bureau ensure that places of public assemblage obtain certification of maximum capacity and compliance with the Fire Prevention Code prior to establishment or operation.

We also again recommend that the Bureau ensure that places of public assemblage receive annual safety inspections or seek amendatory legislation regarding the inspection of places of public assemblage.

\* See glossary at end of report for definition.

**FOLLOW-UP  
AGENCY  
RESPONSE**

The Bureau provided us with the following response:

*We agree.*

*One possible solution would be for the Bureau of Fire Services to explore the development of a risk based approach to identify target areas of fire in public assemblages using NFIRS data. By analyzing the NFIRS fire data in public assemblages, identified trends would get first priority in inspection efforts. According to the NFIRS data collected in 2017, there were 29,113 fires Statewide. Of the 29,113 fires that occurred in Michigan during FY 2017, 862 fires occurred in public assemblages.*

*One approach to identify the public assemblies at greatest risk is to analyze the NFIRS report data for public assemblages over the last five (5) years. By using this risk based approach, and gaining assistance from local fire departments, we can begin to answer the following:*

- What occupancy types of public assemblage buildings are at the highest risk for fire across the State?*
- Of the public assemblages with the highest fire risk, what counties have the largest amount of those type of occupancies?*
- In the counties with the highest risk of fire in the identified public assemblage occupancies, how can the Bureau of Fire Services partner with local fire departments to delegate and support their inspection efforts to establish the max capacity and issue certificates?*

*The Bureau of Fire Services needs to work within the legislative process to achieve changes that will support the accomplishment of as many annual inspections in high risk public assemblies each year until there is funding appropriated for the estimated 220,000 public assemblies Statewide.*

## **FINDING #8**

Audit Finding Classification: Material condition.

Summary of the April 2014 Finding:

The Bureau did not monitor State-funded training activities and recorded passing grades without adequate documentation. Specifically, it:

- a. Had not established written contracts with regional training centers or individual instructors defining expectations.
- b. Had not monitored regional training centers and individual instructors to ensure that sufficient training was provided.
- c. Had not maintained documentation that regional supervisors monitored training activities.
- d. Had recorded passing training course examination grades without obtaining the completed examinations.

Recommendations Reported in April 2014:

We recommended that the Bureau monitor State-funded training activities.

We also recommended that the Bureau obtain and review course examinations prior to recording passing grades on student examinations.

### **AGENCY PLAN TO COMPLY**

On June 9, 2014, the Bureau indicated that it had obtained signed contracts with the training coordinators and started conducting random drop-in monitoring visits of training classes, but suspended these visits due to funding issues.

### **FOLLOW-UP CONCLUSIONS**

Conclusion for first recommendation - Partially complied. A reportable condition exists.

Our follow-up for the first recommendation noted that the Bureau:

- Obtained signed memorandums of understanding that defined course expectations for all 17 (100%) regional training centers and 37 (97%) of the 38 individual instructors that we tested.
- Had not formalized its process to monitor the regional training centers or individual instructors. The Bureau stated that any monitoring performed of individual courses and instructors was done on an informal basis. In addition, our review noted that daily sign-in sheets supporting that students attended the courses were either not completed or not maintained for 16 (26%) of the 61 course instruction days that we tested.

Conclusion for second recommendation - Complied.

Our follow-up for the second recommendation noted that after implementing a new procedure in October 2016, the Bureau properly maintained documentation to support the grades recorded for all 20 courses that we tested.

**FOLLOW-UP  
RECOMMENDATION**

We again recommend that the Bureau monitor State-funded training activities.

**FOLLOW-UP  
AGENCY  
RESPONSE**

The Bureau provided us with the following response:

*We agree.*

*The Bureau of Fire Services has implemented a formal process to monitor the regional training centers or individual instructors for compliance through course rosters and final paperwork by the region coordinator. Course managers are now required to maintain an attendance roster for each course session during the entire course. The course rosters must be signed by each student in attendance as well as the instructor at the end of each class session. All rosters must be received by the region coordinator to close out the class before certificates may be issued and the training funds released from the State to the county fiduciary.*

## **FINDING #9**

Audit Finding Classification: Material condition.

Summary of the April 2014 Finding:

The Bureau had not implemented an annual conflict of interest disclosure process for FFTC members, training instructors, training coordinators, county training committee chairpersons, and regional supervisors, resulting in potential training related conflicts of interest.

Recommendation Reported in April 2014:

We recommended that the Bureau improve its efforts to preclude conflicts of interest among FFTC members, training instructors, training coordinators, county training committee chairpersons, and regional supervisors involved in the firefighter training process.

### **AGENCY PLAN TO COMPLY**

On June 9, 2014, the Bureau indicated that all Bureau employees had signed conflict of interest statements and that conflict of interest language would be included in the 2015 training coordinators' contracts.

### **FOLLOW-UP CONCLUSION**

Complied.

Our follow-up noted that the Bureau made sufficient improvements in its efforts to preclude conflicts of interest. Beginning in March 2017, the Bureau required county training committee chairpersons, training instructors, and training coordinators to sign a memorandum of understanding with a conflict of interest clause on an annual basis. Also, the Bureau established an annual requirement within its System Maintenance of Knowledge and Education (SMOKE) system that requires users, including Bureau employees, to review and agree to a conflict of interest clause. In addition, FFTC members are required to sign an annual disclosure of interest form.

Our testing disclosed that the Bureau had obtained a signed disclosure of interest form, a signed memorandum of understanding, or an agreement with the SMOKE conflict of interest clause for:

- All 7 of the FFTC members.
- All 10 of the county training committee chairpersons reviewed.
- All 38 of the training instructors and coordinators reviewed.
- Both regional supervisors.

In addition, the Bureau had resolved potential training related conflicts of interest by monitoring all examinations to ensure that the examination was proctored by a training coordinator instead

of the course instructor. All 20 course examinations that we reviewed were proctored by someone other than the instructor of record.

## **FINDING #19**

Audit Finding Classification: Material condition.

Summary of the April 2014 Finding:

The Bureau did not submit the following statutorily required reports to the Governor and the Legislature:

- a. The annual reports for fiscal years 2011 and 2012 required by the Fire Prevention Code.
- b. The annual reports for fiscal years 2011 and 2012 required by the Firefighters Training Council Act.
- c. The June 30, 2013 annual report required by the Fire Safety Standard and Firefighter Protection Act.

Recommendation Reported in April 2014:

We recommended that the Bureau fulfill all statutory reporting requirements.

### **AGENCY PLAN TO COMPLY**

On June 9, 2014, the Bureau indicated that it had revised its procedures to include executive oversight to ensure that all reports are submitted timely and in compliance with all requirements.

### **FOLLOW-UP CONCLUSION**

Partially complied. A reportable condition exists.

Our follow-up of the 13 statutorily required reports for fiscal years 2015 and 2016 noted:

- a. The Bureau properly submitted its fiscal year 2015 annual report; however, its fiscal year 2016 annual report omitted the required schedule of revenue types (sources) and the associated amounts derived from various fees and other provisions of the Michigan Fire Prevention Code.
- b. FFTC did not submit its annual reports for fiscal years 2015 or 2016. The Firefighters Training Council Act requires that FFTC submit an annual report presenting pertinent data regarding the training standards established and the degree of participation of municipalities in the training program.
- c. The Bureau submitted the three-year Fire Safe Cigarette Report, covering fiscal years 2013 through 2015, two months after the June 30, 2016 due date.

Our follow-up of the reports also noted that the Bureau submitted its fiscal year 2016 Firefighter Training Fireworks Fund Report four and a half months after the February 1, 2017 due date.

### **FOLLOW-UP RECOMMENDATION**

We again recommend that the Bureau fulfill all statutory reporting requirements.

**FOLLOW-UP  
AGENCY  
RESPONSE**

The Bureau provided us with the following response:

*We agree.*

*The Bureau of Fire Services has implemented a procedure since the follow-up using the outlook calendar to create reminders for all required Bureau reports 45 days, 30 days, 15 days, and 5 days prior to report due dates to assure that all reports are completed meeting established deadlines. The reminder appears in the calendars of the fire marshal/director, deputy director and the assistant to the fire marshal.*

## **FOLLOW-UP METHODOLOGY, PERIOD, AND AGENCY RESPONSES**

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### **METHODOLOGY**

We reviewed the Bureau's corrective action plan and new and updated policies and procedures; reviewed a follow-up report to our 2014 audit performed by the Office of Internal Audit Services, State Budget Office; and interviewed Bureau personnel. Specifically, for:

- a. Finding #1, we reviewed the Bureau's MiScorecard\*, firefighter training course student surveys, and local fire department survey responses. We also analyzed NFIRS data to verify whether local fire departments met reporting requirements.
- b. Finding #2, we reviewed a listing of all active storage tanks as of August 15, 2017 to assess whether the tank had the required triennial inspection and to verify if owner contact information was reported for each facility. We reviewed inspection documentation for 25 of the 10,270 storage tanks to ensure that each inspection was properly documented and that any corresponding reinspections were completed in a timely manner. Our sample was randomly selected to eliminate bias and to enable us to project our testing results to the entire population.
- c. Finding #3, we interviewed the State Fire Marshal and reviewed the Public Assemblage Ad Hoc Committee meeting notes for fiscal years 2015 through 2017 to determine what actions the Bureau had taken in relation to places of public assemblage.
- d. Finding #8, we reviewed memorandums of understanding for all 17 regional training centers and 38 course instructors to determine whether the contracts defined expected training services and deliverables. We also obtained an understanding of the Bureau's process for monitoring training activities and reviewed daily student sign-in sheets and examination documentation for 20 of the 190 completed, graded courses to ensure that courses followed Bureau policies and procedures. Our samples were randomly selected to eliminate bias and to enable us to project our testing results to the respective populations.
- e. Finding #9, we reviewed memorandums of understanding, disclosure of interest forms, and conflict of interest clause agreements within the Bureau's SMOKE system for 57 individuals to verify whether conflict of interest clauses were completed. Included

\* See glossary at end of report for definition.

within our review were the 7 FFTC members, 10 county training committee chairpersons, 20 course instructors, the 18 training coordinators, and both Bureau regional training supervisors. Our sample of course instructors, and the corresponding county training committee chairpersons, was randomly selected from the population of 190 completed, graded courses to eliminate bias and to enable us to project our testing results to the entire population.

- f. Finding #19, we reviewed the 13 statutorily required reports for fiscal years 2015 and 2016 to determine whether the reports were submitted timely and contained all required elements.

**PERIOD**

Our follow-up generally covered October 1, 2016 through August 31, 2017.

**AGENCY  
RESPONSES**

Our follow-up report contains 5 recommendations. The Bureau's preliminary response indicates that it agrees with all 5 of the recommendations.

The agency preliminary response that follows each follow-up recommendation in our report was taken from the agency's written comments and oral discussion at the end of our fieldwork. Section 18.1462 of the *Michigan Compiled Laws* and the State of Michigan Financial Management Guide (Part VII, Chapter 4, Section 100) require an audited agency to develop a plan to comply with the recommendations and to submit it within 60 days after release of the audit report to the Office of Internal Audit Services, State Budget Office. Within 30 days of receipt, the Office of Internal Audit Services is required to review the plan and either accept the plan as final or contact the agency to take additional steps to finalize the plan.

## GLOSSARY OF ABBREVIATIONS AND TERMS

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<b>agency plan to comply</b>	The response required by Section 18.1462 of the <i>Michigan Compiled Laws</i> and the State of Michigan Financial Management Guide (Part VII, Chapter 4, Section 100). The audited agency is required to develop a plan to comply with Office of the Auditor General audit recommendations and to submit the plan within 60 days after release of the audit report to the Office of Internal Audit Services, State Budget Office. Within 30 days of receipt, the Office of Internal Audit Services is required to review the plan and either accept the plan as final or contact the agency to take additional steps to finalize the plan.
<b>effectiveness</b>	Success in achieving mission and goals.
<b>FFTC</b>	Firefighters Training Council.
<b>LARA</b>	Department of Licensing and Regulatory Affairs.
<b>material condition</b>	A matter that, in the auditor's judgment, is more severe than a reportable condition and could impair the ability of management to operate a program in an effective and efficient manner and/or could adversely affect the judgment of an interested person concerning the effectiveness and efficiency of the program.
<b>MiScorecard</b>	Part of the State of Michigan's goal to increase accountability and transparency. The monthly MiScorecard reports current performance levels for certain areas within the various departments and serves as an internal management tool for decision-makers.
<b>mission</b>	The main purpose of a program or an entity or the reason that the program or the entity was established.
<b>NFIRS</b>	National Fire Incident Reporting System.
<b>outcome</b>	An actual impact of a program or an entity.
<b>output</b>	A product or a service produced by a program or an entity.
<b>performance audit</b>	An audit that provides findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria. Performance audits provide objective analysis to assist management and those charged with governance and oversight in

using the information to improve program performance and operations, reduce costs, facilitate decision-making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.

**places of public assemblage**

A room or other space in a building which can accommodate 50 or more individuals, including all connected rooms and space which share a common means of entrance and egress. Places of public assemblage include, but are not limited to, churches, halls, theaters, restaurants, libraries, classrooms, and stadium suites.

**red-tagging**

An action taken during storage tank inspections that prevents further filling of regulated storage tank systems as a result of identified noncompliance. The red tag remains on the storage tank system making it unusable until all cited violations have been brought into compliance.

**reportable condition**

A matter that, in the auditor's judgment, is less severe than a material condition and falls within any of the following categories: an opportunity for improvement within the context of the audit objectives; a deficiency in internal control that is significant within the context of the audit objectives; all instances of fraud; illegal acts unless they are inconsequential within the context of the audit objectives; significant violations of provisions of contracts or grant agreements; and significant abuse that has occurred or is likely to have occurred.

**SMOKE**

System Maintenance of Knowledge and Education.







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